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The Cost of Living on Minnesota Farms, 1905-1914. By F. W. PECK. (St. Paul, Minn.: University of Minnesota Agricultural Experiment Station. 1916. Pp. 31.)

Another work has been added to the small but growing number of studies which deal with actual living conditions among our people. Mr. Peck's inquiry into the cost of living on Minnesota farms supplements admirably the studies made by Chapin, More, Streightoff, and others into the living conditions among working people. The average annual expenditure of \$816.13 for food, housekeeping, furniture, fuel, and rent which is found by our investigator to be the cost of these things to the farmer's family dissipates entirely the current notion that the country is a peculiarly cheap place in which to live.

The cost of living upon Minnesota farms is ascertained by the cost accounting method of inquiry rather than by the method of a mere questionnaire, and the semblance to reality of the facts presented is much improved as a result. Field men are sent out from the University of Minnesota who record at the farm house the expenses which are incurred by the farmer's family as living expenses. The families under observation in this way are unfortunately few—only twenty-two in all; but the period during which the observations are carried on is a long one—some eight or nine years—extending from 1904 to 1913. The families are average-sized families of four or five, and every living expense of each family is tabulated, save only those for clothing and for amusements and culture.

The study, in addition to its main purpose, throws light upon at least two great problems concerning farm finance. First, it clears up the question of the farmer's income. Farm management surveys of which a great number have been made in recent years have sought invariably for two things: (1) to ascertain the style of farming carried on, and (2) whether it is profitable or not. The farm management analysis which may be said to be the standardized one in this country (*i.e.*, used universally by the United States Department of Agriculture and the various state experiment stations) seeks as its measure of the successfulness of the management of a farm, the so-called farmer's "labor income." No attempt is made in this analysis, however, to evaluate the farmer's cost of living; so that the rather shabby labor incomes which are represented by these surveys must always be understood to be an income which is in addition to the farmer's living. The present

study, by showing how much it costs the farmer to live, gives data which, when added to the farmer's labor income, show the entire earnings of the farm business.

Second, it clears up the myth which still prevails in the minds of vast numbers of people that the farm family subsists directly from the farm on which it lives. Both in respect to what was spent for food and also with regard to the total living costs, the farm is shown by this bulletin to have furnished directly a smaller amount than was purchased. Of the total cost of living of the farm family, the farm indeed furnishes only 22.1 per cent, while of the food alone which is used, the percentage is slightly more than twice as much. The investigator observes that to the extent only that farm products are cheaper to the farmer through not having had to undergo distribution through the middlemen system it may be said that living expenses are lower upon the farm than elsewhere.

The methodology of the investigations has great practical significance also because, as the author says, "the facts [farm living costs] have never been known . . . as the cost of farm items could not be estimated." The bulletin explains, however, that they can be estimated; and, while the plan followed of valuing the farm produce which had no local market—garden produce, fruit, etc., by its costs of production seems cumbersome, nevertheless, it is shown that it can be done. The price of purchased commodities and household labor presented no difficulties, but the appraisal of rent and furniture equipment was not so easy. Indeed, the rent expense was made an arbitrary charge, a flat interest rate being used upon the average value of the houses.

As is frequently the case in every field of affairs a new and genuine truth may prove to be the open sesame to a vast number of related problems. So it is claimed for this study that it will assist in determining "the annual expenditures on farms," "equitable wages for farm help," "the total cost of man labor," and "the gross income in farming as a business."

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Marketing and Farm Credits. A Collection of Papers and Documents Read at the Fourth Annual Sessions of the National Conference on Marketing and Farm Credits, Chicago, Dec. 4-9, 1916. (Madison, Wis.: Charles W. Holman, Secretary, 340 Washington Bldg. 1917. Pp. 546. \$2.00.)

This is the best of the three volumes in this up-to-the-minute